

Vermont's All-Payer Model

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Vermont's All-Payer Model (APM) is changing the way health care is delivered and paid for, with the goal of keeping the state's health care spending in check and improving the health of Vermonters. The APM gives health care providers the flexibility to deliver services like telehealth, group visits, and coordination with fellow providers that were previously not billable. And it holds insurers and providers jointly accountable for the quality and cost of care they provide to Vermonters.

The Vermont All-Payer ACO Model Agreement

Vermont's All-Payer Accountable Care Organization Model Agreement is a five-year (2018-2022) arrangement between Vermont and the federal government that allows Medicare to join Medicaid and commercial insurers to pay for health care more efficiently. The goal of the APM is to shift payments from a fee-for-service system that rewards volume to a payment system based on value while improving the health of Vermonters and limiting health care cost growth.

Increasing Value for Vermonters

The APM allows us to pay for care differently, shifting the health care system away from fee-for-service, toward a value-based model that rewards high performance and good outcomes. This change in incentives helps Vermonters connect to the right care, at the right place, at the right time. By shifting the focus to preventive care, the APM urges providers to catch and treat small health problems before they turn into big issues. The APM also encourages increased communication and coordination between health care and social service providers, especially those who are caring for the sickest or highest-risk patients, to drive better health outcomes and enhance the quality of care. By working with providers and payers to align quality measures, models of delivery, payments, and more, we can help improve care for all Vermonters.

Ensuring Engagement Across the Health Care System

An Accountable Care Organization (ACO) is a group of health care providers that agree to be accountable for the care and cost of a defined population of patients. The Affordable Care Act (ACA) included incentives for creating Medicare ACOs because it was identified as a promising way to reduce the ever-rising cost of health care nationwide. Vermont's APM was designed to change health care payment models, curb health care cost growth, maintain quality of care, and improve the health of Vermonters, using the ACO model as a chassis. OneCare Vermont Accountable Care Organization (OneCare) is a voluntary network of health care and social services providers that have joined together to be accountable for the health of a population and work toward the goals of the APM. OneCare is the only ACO operating in Vermont, and as such, is the vehicle used to implement the All-Payer Model.

Our ability to achieve the goals of the APM relies on robust participation from partners across the delivery system — from state agencies, health care providers, payers, employers, and others that support health care transformation. While OneCare is currently the sole Accountable Care Organization in the APM, our success

Green Mountain Care Board

The purpose of the Green Mountain Care Board is to promote the general good of the State by:

1. Improving the health of the population;
2. Reducing the per-capita rate of growth in expenditures for health services in Vermont across all payers while ensuring that access to care and quality of care are not compromised;
3. Enhancing the patient and health care professional experience of care;
4. Recruiting and retaining high-quality health care professionals; and
5. Achieving administrative simplification in health care financing and delivery.

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rests on many health system players, working together to align health care delivery in a way that will improve the health outcomes of Vermonters.

Measuring Success

The APM is working to ensure the cost of care doesn't outpace growth in Vermont's economy and to improve the health of Vermonters over time. It has set ambitious goals and benchmarks that will be measured over 5 years and beyond. The outcomes we're trying to achieve require significant upfront investment, effective management, robust engagement, ongoing tracking, and adjustments and improvements along the way.

- **5-Year Growth Target.** The driving objective of the APM is to ensure the cost of care doesn't outpace growth in Vermont's economy. The APM will track health care spending across 5 years, with the goal of keeping the average increase in costs to 3.5% – and no more than 4.3% – between 2018 and 2022. We'll be evaluating our goal over 5 years as we expect health care utilization and costs to fluctuate year-to-year, especially during uncertain times like the COVID-19 public health emergency.
- **Improving Health Care Quality and the Health of Vermonters.** One of the most ambitious goals of the APM is to improve the health of Vermonters over time. Specifically, the APM aims to increase access to primary care, reduce deaths from suicide and drug overdose, and lower prevalence of chronic disease. We have achieved the first step of establishing baselines for each of these goals, and we have results from the APM's first year (2018). As data for each subsequent year of the APM becomes available, we will track against these benchmarks, carefully evaluate our progress, and make adjustments as we learn what works along the way, knowing that moving the needle on population health is a long-term effort. We will also transparently share results with the public as they are available.
- **Provider Participation.** For the APM to succeed, we must have more and more providers and insurers be part of the effort. As we continue to grow, we will help ensure that health care delivery in Vermont is aligned with improving health outcomes and not with the number of services provided.

Tracking quality and cost growth is at the heart of the APM – and will help us determine if we're heading in the right direction. As we face unknowns in population health and health care consumption, like COVID-19, we will continue to collaborate with federal partners to track performance and ensure our measures fairly consider the effects of things like the pandemic we find ourselves in. But it takes time to coordinate quality data collection in a model as ambitious and far-reaching as this. That means that although we are in Year 3 of the APM, we are currently analyzing data for Year 1 (2018). This early data gives us a starting point from which to build as we collect and average the full five years of data associated with the APM.

Early data suggests we're headed in the right direction. Provider participation steadily increased throughout Year 1. The growth in health care costs was 4.1% in Year 1, representing a decline from the previous year's growth rate (8.5%). As more providers come on board, and the changes to their business models begin to take hold, we expect to see continued progress towards our 5-year growth target of 3.5%.

As the APM progresses, we are dedicated to sharing data reflecting its impact in a way that is transparent, accessible, and timely. We will also continue to track the APM's short-term progress, analyze opportunities for long-term growth and adjust as needed to reach our shared goals.

Additional Resources

[Vermont All-Payer Model Agreement](#) (signed October 2016)

[GMCB Website – All-Payer Model](#)

[GMCB Website – All-Payer Model Reports](#)

[GMCB Website – Vermont All-Payer Model Frequently Asked Questions](#)

[Centers for Medicare & Medicaid Services \(CMS\) Website – Vermont All-Payer ACO Model](#)